

## Agency for International Development

## § 234.2

and \$\_\_\_\_\_ in Further Guaranteed Payments,<sup>1</sup> plus accrued and unpaid interest thereon from the date of default with respect to such payments to and including the date payment in full is made by you pursuant to said Guarantee, at the rate of \_\_\_\_\_% per annum, being the rate for such interest accrual specified in such Note. Such payment is to be made at [state payment instructions of Noteholder].

All capitalized terms herein that are not otherwise defined shall have the meanings assigned to such terms in the Standard Terms and Conditions of the above-mentioned Guarantee.

[Name of Applicant]

By:

Name:

Title:

Dated:

### **PART 234—UKRAINE LOAN GUARANTEES ISSUED UNDER THE SUPPORT FOR THE SOVEREIGNTY, INTEGRITY, DEMOCRACY, AND ECONOMIC STABILITY OF UKRAINE ACT OF 2014, PUB. L. 113-95—STANDARD TERMS AND CONDITIONS**

Sec.

234.1 Purpose.

234.2 Definitions.

234.3 The Guarantee.

234.4 Guarantee eligibility.

234.5 Non-impairment of the Guarantee.

234.6 Transferability of Guarantee; Note Register.

234.7 Fiscal Agent obligations.

234.8 Event of Default; Application for Compensation; payment.

234.9 No acceleration of Eligible Notes.

234.10 Payment to USAID of excess amounts received by a Noteholder.

234.11 Subrogation of USAID.

234.12 Prosecution of claims.

234.13 Change in agreements.

234.14 Arbitration.

234.15 Notice.

234.16 Governing Law.

APPENDIX A TO PART 234—APPLICATION FOR COMPENSATION, UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT, WASHINGTON, DC 20523

AUTHORITY: Pub. L. 113-95, 128 Stat. 1088.

<sup>1</sup>In the event the Application for Compensation relates to Further Guaranteed Payments, such Application must also contain a statement of the nature and circumstances of the related loss.

SOURCE: 79 FR 26834, May 12, 2014, unless otherwise noted.

#### **§ 234.1 Purpose.**

The purpose of the regulations in this part is to prescribe the procedures and standard terms and conditions applicable to loan guarantees issued for the benefit of the Borrower, pursuant to the Support for the Sovereignty, Integrity, Democracy, and Economic Stability of Ukraine Act of 2014 (Pub. L. 113-95). The loan guarantees will be issued as provided herein pursuant to the Loan Guarantee Agreement, dated April 14, 2014, between the United States of America and Ukraine (the “Loan Guarantee Agreement”). The loan guarantee will apply to sums borrowed during a period beginning on the date that the Loan Guarantee Agreement enters into force and ending thirty days after such date, not exceeding an aggregate total of one billion United States Dollars (\$1,000,000,000) in principal amount. The loan guarantees shall ensure the Borrower’s repayment of 100% of principal and interest due under such borrowings. The full faith and credit of the United States of America is pledged for the full payment and performance of such guarantee obligations.

#### **§ 234.2 Definitions.**

Wherever used in the standard terms and conditions set out in this part:

*Applicant* means a Noteholder who files an Application for Compensation with USAID, either directly or through the Fiscal Agent acting on behalf of a Noteholder.

*Application for Compensation* means an executed application in the form of Appendix A to this part which a Noteholder, or the Fiscal Agent on behalf of a Noteholder, files with USAID pursuant to § 234.8.

*Borrower* means Ukraine.

*Business day* means any day other than a day on which banks in New York, NY are closed or authorized to be closed or a day which is observed as a federal holiday in Washington, DC, by the United States Government.

*Date of application* means the date on which an Application for Compensation is actually received by USAID pursuant to § 234.15.

### § 234.3

### 22 CFR Ch. II (4–1–15 Edition)

*Defaulted Payment* means, as of any date and in respect of any Eligible Note, any Interest Amount and/or Principal Amount not paid when due.

*Eligible Note(s)* means [a] Note[s] meeting the eligibility criteria set out in § 234.4.

*Fiscal Agency Agreement* means the agreement among USAID, the Borrower and the Fiscal Agent pursuant to which the Fiscal Agent agrees to provide fiscal agency and trust services in respect of the Note[s], a copy of which Fiscal Agency Agreement shall be made available to Noteholders upon request to the Fiscal Agent.

*Fiscal agent* means the bank or trust company or its duly appointed successor under the Fiscal Agency Agreement which has been appointed by the Borrower with the consent of USAID to perform certain fiscal agency and trust services for specified Eligible Note[s] pursuant to the terms of the Fiscal Agency Agreement.

*Further guaranteed payments* means the amount of any loss suffered by a Noteholder by reason of the Borrower's failure to comply on a timely basis with any obligation it may have under an Eligible Note to indemnify and hold harmless a Noteholder from taxes or governmental charges or any expense arising out of taxes or any other governmental charges relating to the Eligible Note in the country of the Borrower.

*Guarantee* means the guarantee of USAID pursuant to this part 234 and the Support for the Sovereignty, Integrity, Democracy, and Economic Stability of Ukraine Act of 2014 (Pub. L. 113–95).

*Guarantee payment date* means a Business Day not more than three (3) Business Days after the related Date of Application.

*Interest amount* means for any Eligible Note the amount of interest accrued on the Principal Amount of such Eligible Note at the applicable Interest Rate.

*Interest rate* means the interest rate borne by an Eligible Note.

*Loss of investment* means, in respect of any Eligible Note, an amount in Dollars equal to the total of the:

(1) Defaulted Payment unpaid as of the Date of Application,

(2) Further Guaranteed Payments unpaid as of the Date of Application, and

(3) Interest accrued and unpaid at the Interest Rate(s) specified in the Eligible Note(s) on the Defaulted Payment and Further Guaranteed Payments, in each case from the date of default with respect to such payment to and including the date on which full payment thereof is made to the Noteholder.

*Note[s]* means any debt securities issued by the Borrower.

*Noteholder* means the owner of an Eligible Note who is registered as such on the Note Register.

*Note Register* means the register of Eligible Notes required to be maintained by the Fiscal Agent.

*Person* means any legal person, including any individual, corporation, partnership, joint venture, association, joint stock company, trust, unincorporated organization, or government or any agency or political subdivision thereof.

*Principal amount* means the principal amount of the Eligible Notes issued by the Borrower. For purposes of determining the principal amount of the Eligible Notes issued by the Borrower, the principal amount of each Eligible Note shall be the stated principal amount thereof.

*USAID* means the United States Agency for International Development or its successor.

### § 234.3 The Guarantee.

Subject to the terms and conditions set out in this part, the United States of America, acting through USAID, guarantees to Noteholders the Borrower's repayment of 100 percent of principal and interest due on Eligible Notes. Under this Guarantee, USAID agrees to pay to any Noteholder compensation in Dollars equal to such Noteholder's Loss of Investment under its Eligible Note; provided, however, that no such payment shall be made to any Noteholder for any such loss arising out of fraud or misrepresentation for which such Noteholder is responsible or of which it had knowledge at the time it became such Noteholder. This Guarantee shall apply to each Eligible Note registered on the Note Register.